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SUBJECT: SCENESETTER FOR VISIT OF USAID ADMINISTRATOR AND DIRECTOR OF FOREIGN ASSISTANCE HENRIETTA FORE TO THE DRC

¶1. (SBU) Summary: The Democratic Republic of the Congo (DRC) is slowly grappling with fundamental governance, security and development challenges following historic 2006 national elections. The promise of peace and democratization and the importance of the DRC as the linchpin of central Africa and beyond have made it one of the Department's top five priority assistance countries in Africa. The January 2008 Goma accords between the government and armed groups, facilitated by the U.S., UN and EU created a process to achieve peace, security and development in the country's eastern provinces. Widespread insecurity only amplifies a political and judicial vacuum throughout the country, contributing to a pervasive climate of impunity in which armed men routinely abuse civilians, particularly women and children. There are clear signs the population is growing impatient with the pace of the government's efforts and skeptical that democracy can solve the country's problems. Your visit will reaffirm U.S. commitment to a long partnership with the Congolese people to develop democratic institutions and reinforce our shared objective of a peaceful and prosperous DRC. End summary.

¶2. (SBU) Your visit to the DRC is a reaffirmation of U.S. support for the country and its fledgling democracy. It is the first visit by a senior Administration official since President Joseph Kabila's meeting with the President at the White House in October and the signing of the Acte d'Engagement by the government and armed groups at the January Kivu peace, security and development conference in Goma. It comes a little over a year after the election of President Joseph Kabila in the historic presidential and parliamentary elections of 2006. Kabila had initially taken power after his father, Laurent Desire Kabila, was assassinated in 2001. He led the DRC during a difficult transition from dictatorship, mismanagement and devastating wars, which are believed to have taken the lives of over four million people between 1996 and 2002. The electoral process produced a government that has been confronting the challenges of developing democratic institutions amid popular expectations of change. This situation calls for continued and sustained U.S. engagement.

¶3. (SBU) The DRC, a country the size of the United States east of the Mississippi, has the potential to one day drive the development of all of central Africa. The Department's 2006 decision to identify it as one of five priority assistance countries in Africa reflected achievements to date, the promise of the peace and democratization processes, and the country's importance to regional stability and development. Our assistance program fully supports and

reflects the transformational diplomacy goals laid out by the Secretary. The Mission's overriding goals focus on

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implanting a culture of democracy, accountable governance and respect for human rights, while promoting broad economic development in a stable Congo at peace with its neighbors and itself. USAID's 2006 budget for DRC programs totaled \$68 million, including funds received from central accounts but excluding humanitarian assistance. Amounts for 2007 have risen to \$71 million (with supplemental funding), and are projected to rise in 2008 to \$107 million, including increases for peace and security, governing justly and democratically, investing in people, and economic growth programs.

Current security challenges

¶4. (SBU) The security situation in the DRC remains precarious in many areas, despite the promising processes begun by the November 2007 Nairobi communique and January 2008 Goma accords. Most recently, police and militants of the politico-religious movement Bundu dia Kongo (BDK) clashed beginning February 28 in Bas-Congo province, following a series of violent incidents directed at pastors, teachers, government officials and non-Kongo residents by young BDK toughs. On March 8, special police forces assaulted BDK's main compound in the provincial capital of Matadi, and conducted similar operations in other areas of the province. MONUC has issued a statement expressing strong concern, and the EU is considering a proposed statement in Brussels.

¶5. (SBU) The Congolese military (FARDC) suffers from low morale, weak command and control, widespread corruption,

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haphazard administration, poor operational planning, limited training and equipment, and questionable military capability.

State and irregular military forces are responsible for many of the worst human rights abuses in the country. The Kivu provinces merit particular attention. Following a failed FARDC offensive in early December 2007 against a renegade militia led by dissident General Laurent Nkunda, a self-proclaimed defender of the Congo's small Tutsi population, the government agreed to launch a peace process with North Kivu and South Kivu armed groups at the Kivu peace, security and development conference January 2008 in the North Kivu capital of Goma. Achieving this result required unflagging engagement by the U.S., UN and EU. Follow-up will require our continued commitment and involvement.

¶6. (SBU) The DRC and Rwanda pledged to work together November 9 in Nairobi to end the problems posed by the FDLR/ex-FAR/Interahamwe, by peaceful means if possible, by force if necessary. The FDLR, formed from the remnants of the Army for the Liberation of Rwanda and former Interahamwe fighters, remains the largest of several foreign armed groups operating in the DRC, with approximately 6,000-8,000 combatants in North and South Kivu. These groups pose a threat to the country's overall security and stability while remaining a source of friction between Congo and its neighbors. Their leaders include a number of individuals implicated in the 1994 Rwanda genocide. Small groups of Ugandan and Burundian fighters also continue to operate in DRC territory.

U.S. leadership

¶7. (SBU) The United States has played a key role in efforts to re-establish peace in eastern Congo. In 2004, the U.S. launched the Tripartite (later Tripartite Plus) process, a forum bringing together senior officials from the DRC, Rwanda, Uganda, plus Burundi, to promote cooperation and

regional dialogue. A special Tripartite Plus summit chaired by Secretary Rice December 5 in Addis Ababa brought together three of the four Tripartite Plus heads of state. Although Kabila was the only head of state who did not attend, the three ministers representing him were active participants in decisions to strengthen commitment to resolving conflict in eastern Congo and increasing regional cooperation.

¶ 18. (SBU) Current active U.S. peacemaking efforts date to mid 2007. Eastern Congo was a major topic of Kabila's White House meeting with the President. They discussed USG assistance to the DRC, including increased funding to combat malaria and AIDS, and the war on terrorism. The President confirmed that the U.S. would open an Embassy office in Goma in response to Kabila's request; the office has been staffed since early November by Foreign Service Officers on detail from Washington or Embassy Kinshasa. The Department is currently reviewing the Embassy's proposal to maintain the office throughout 2008. USAID now also maintains a regular presence in Goma.

¶ 19. (SBU) Tim Shortley, Senior Advisor to Assistant Secretary Jendayi Frazer, continues to play a major role in consolidating the peace process. He concluded another mission to the DRC in early March. He first visited the DRC in September, meeting with President Kabila, senior politicians and UN and NGO officials to present ideas for achieving a negotiated settlement to end the threats posed by Nkunda and the FDLR. Working closely with UN, EU and South African special envoys, he helped broker the Congo-Rwanda agreement in Nairobi. After President Kabila asked him to return to the DRC in December following the failure of the Masisi offensive against Nkunda, Shortley negotiated the withdrawal of Nkunda's forces from territory abandoned by the FARDC during its retreat. He was a key player at the Kivu conference of January 2008, and he and the EU special envoy this month succeeded in persuading Nkunda to resume participation in the Goma process.

MONUC

¶ 10. (SBU) The United Nations Mission in the Congo (MONUC)

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includes a 17,000-strong peacekeeping operation with military contingents in all provinces and major cities and more than 3,000 civilian employees. Now led by SRSG Alan Doss of the U.K., who previously headed the UN mission in Liberia, MONUC was created in 1999 pursuant to the Lusaka accords and a UN Security Council mandate. With an annual budget of over \$1 billion, it is the largest and most expensive UN peacekeeping operation in history. The U.S., as the largest contributor to the UN peacekeeping budget, funds 27 percent of its expenditures, i.e. approximately \$300 million per year. India, Pakistan, Bangladesh, South Africa, Uruguay and Nepal are the leading contributors of peacekeeping troops, each with contingents of more than 1,000. Much more than a simple peacekeeping operation, it provides military, transportation, communications and administrative services in the absence of a meaningful GDRC presence outside Kinshasa and some provincial capitals. MONUC's Radio Okapi is the only FM station broadcasting throughout the DRC in the country's five main languages. MONUC also maintains regular flights to all major Congolese cities.

Peace and security

¶ 11. (SBU) Reform of the DRC's security services has achieved mixed success at best. DRC plans for reform of the military, police, and justice sectors presented at a late-February international conference on security sector reform (SSR) lacked a sense of priorities and appeared little more than laundry lists to which donors were expected to pledge. The EU has long had significant involvement in the Congolese

security sector, including established European Security (EUSEC) and European Police (EUPOL) missions. France, Belgium and other EU member states have provided substantial funding support. South Africa and Angola have also played major roles, including the training and equipping of integrated military brigades.

¶12. (SBU) USG assistance to DRC security services is set to increase. New funding from International Narcotics and Law Enforcement (INCLE), De-mining and Related Projects Appropriations (NADR), and Peacekeeping Operations (PKO) is in the pipeline. An \$8.4 million allocation from Foreign Military Financing (FMF) is set for FY 2008. In mid-February, a U.S. military team conducted an assessment for training of a rapid-reaction force. We are currently utilizing \$5 million in FY 2006 PKO funds to rehabilitate the officer training institute and provide training for staff officers and military magistrates and investigators. The International Military and Education Training Program (IMET) funds U.S.-based courses that include English-language training. NADR funds destruction of obsolete ordnance. In addition, the \$300 million in U.S. funding that goes to MONUC now also supports its new FARDC training program.

¶13. (SBU) Donor-funded disarmament, demobilization and reintegration (DDR) programs have achieved mixed success at best. Approximately 8,000 Congolese combatants have yet to enter a DDR process, and 40,000 of the 102,000 who have already signed up for the World Bank/MDRP-funded national plan have yet to receive reintegration assistance. Reauthorization of the MDRP and increased funding of \$72.5 million will be considered by the World Bank's Board of Directors on April 22. A new DDR program designed for Ituri militias not eligible for the national plan launched in August 2007. USAID provided \$2 million to help fund this &Phase III8 program to provide reintegration assistance to the 1,658 ex-combatants who entered the process. In northern Katanga, another \$2 million in USAID funding is providing reintegration services to a target population of 1,739 ex-combatants and community recovery for 6,000 civilians affected by conflict.

Democracy and governance

¶14. (SBU) The Congolese people have had high expectations that the democratic process will improve their lives. Their relatively high turnout in the July and October 2006 presidential and parliamentary elections demonstrated their hope in a democratic system of government. New institutions, however, have been slow to generate momentum. The 500-member

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National Assembly counts only a small number of members with legislative or government experience. The Assembly and the 106-member Senate have only begun to consider a heavy agenda of major legislation. Provincial officials are unfamiliar with decentralized authority and lack resources, money and experience. Elections for local and municipal officials are tentatively scheduled for late 2008 at the earliest.

¶15. (SBU) Parties and candidates aligned with Kabila's electoral coalition, the Alliance for the Presidential Majority (AMP), won working majorities in the National Assembly and Senate, as well as eight of 11 provincial assemblies and ten of 11 governorships -- leaving the opposition with little apparent political clout. Parliament has now adopted legislation defining the rights and responsibilities of the political opposition, which is in the process of designating an official spokesman. Prominent opposition figure Jean-Pierre Bemba departed for Portugal in April 2007, following fighting in Kinshasa the month before between his forces and government troops. He has conditioned his return on a guarantee of personal security and immunity from prosecution for the March disturbances. Some members of his party claim security forces have harassed their members

and attempted to muzzle pro-Bemba broadcasters.

¶16. (SBU) USG governance and institutional reform programs, budgeted at \$10.2 million for FY 2007 and a proposed \$19 million for FY 2008, focus on combating corruption and human rights abuses, developing independent judicial and legislative institutions, facilitating decentralization of state authority, and support for local elections. Their objectives include long-term transformation as well as direct citizen access to services. We continue to provide assistance to National Assembly deputies on drafting key legislative proposals, including laws relating to the financing of political parties, decentralization, the establishment of a national election commission and the protection of human rights. We have also conducted capacity-building seminars for National Assembly deputies and staffers, supported the creation of provincial watchdog and advocacy groups to encourage citizen participation in democratic processes, and worked to develop skills of political party members, foster grassroots anti-corruption initiatives, and establish mobile courts and legal aid clinics.

Economic growth

¶17. (SBU) Most of the Congolese population, estimated at over 60 million, has not benefited from the country's vast array of natural resources, including minerals, forests and rivers. With over 90 per cent unemployment and an informal sector that rivals the formal economy, most people survive on less than one dollar a day. Despite annual GDP growth of nearly six per cent in 2007, per capita GDP is only around \$120. At the current growth rate, per capita income will not reach pre-independence levels until the middle of the century.

¶18. (SBU) Despite some progress on macroeconomic and financial reforms since 2003, the IMF Poverty Reduction and Growth Facility (PRGF) lapsed a year ago, in March 2007, due to continued overspending and failure to meet structural reform targets. The DRC received little or no direct outside assistance to support a budget of only \$2.5 billion. The DRC has been granted Highly Indebted Poor Country (HIPC) status, but with no PRGF in place, is not making progress toward achieving the nearly complete debt forgiveness envisioned. Despite reported progress in late 2007 toward a new PRGF, macroeconomic instability resulting from overspending in December and January has pushed the negotiation back to mid-2008. If an IMF program is put in place by July, the DRC could receive some interim debt forgiveness during the second half of 2008 from the Paris Club.

¶19. (SBU) The 2008 budget, signed into law by President Kabila in January, calls for expenditures of \$3.6 billion, much of it for government salaries (including civil servants, public school teachers and military personnel) and the security sector. Without much-needed outside budget support in 2008, the GDRC may again face large deficits, to which it has historically reacted with large amounts of currency

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issuance. The GDRC is making a concerted effort to raise revenue levels, but this may not solve the budget shortfall problem. Since January, GDRC spending has been apparently contained within budgetary limits, but many of its expenses will come due only during the last quarter of the year. The security situation in eastern Congo has been the cause of much of the recent overspending, according to GDRC officials.

That and resolution of the Mining Commission Contract Review process will have a major effect on this year's budget.

¶20. (SBU) The GDRC is working to implement the Poverty Reduction Strategy Paper (PRSP) approved in mid-2006 by the IMF and World Bank boards. The government's five-year program, approved by the National Assembly in February 2007, is based on the PRSP and focuses heavily on President

Kabila's five priority areas: infrastructure; employment; education; water/electricity; and health. Economic growth depends heavily on progress in these areas, but the GDRC must also dramatically increase state revenues, control its own spending and renegotiate an IMF program before mid-2008 if it is to achieve desperately-needed debt relief and outside budget assistance. In 2007 the GDRC signed agreements with the Chinese government that focused on infrastructure creation in return for mining concessions. Few details of the resulting contracts have been made public. Those that have been show that these projects will be &infrastructure for natural resources⁸ deals.

¶21. (SBU) The USG is an active participant in international donors' Country Assistance Framework (CAF) process for the period 2007-10, designed to align assistance strategies and support GDRC efforts to implement the PRSP. Bilateral USG foreign assistance funding for economic growth is modest, with only \$4 million designated for activities to increase agricultural productivity, although this is supplemented by a \$30 million, three-year Food for Peace program to help spur rural development. USAID has active global development alliances with mining, agro-business and health partners. U.S. commercial interests in the DRC are small but growing, with a U.S. company (Seaboard Corporation) running the largest flour mill in the country and an American mining company (Freeport McMoRan) gearing up to produce an estimated 100,000 tons of copper metal by the end of 2008. USAID and the British Department for International Development (DFID) are collaborating on efforts to help the GDRC implement the Extractive Industries Transparency Initiative (EITI). USAID, through the Central African Regional Program for the Environment (CARPE) and the Congo Basin Forestry Partnership (CBFP) is working to promote better management of the forestry sector. The U.S. Trade and Development Agency (USTDA) has granted \$500,000 for a hydroelectric sector pre-feasibility study, and is looking at the transportation (river and rail) sector for further opportunities for U.S. investments in DRC infrastructure.

Humanitarian assistance

¶22. (SBU) Disaster relief and food assistance represented approximately one-half of all bilateral U.S. foreign assistance to the DRC in FY 2007. The International Rescue Committee estimates that over 5.4 million people have died as a consequence of 10 years of war and conflict. Low-level combat continues to cause large-scale population displacements in eastern areas of the country. Many social and economic support structures have collapsed as a result of neglect, corruption and lack of resources, leaving victims without livelihoods, access to medical services and in many cases, places to live.

¶23. (SBU) The UN Office for the Coordination of Humanitarian Assistance estimated there were more than 1.1 million internally displaced persons (IDPs) in the DRC in July 2007, mostly in the eastern regions of North Kivu, South Kivu and Ituri District. While the number of IDPs has now substantially decreased in Ituri, the number of displaced in North Kivu has dramatically increased due to recent combat. An estimated 321,000 Congolese refugees remain in neighboring countries awaiting repatriation.

¶24. (SBU) Non-food IDFA funding totaled \$28.5 million in FY 2007. The U.S. Office of Foreign Disaster Assistance (OFDA)

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provides transportation and a start-up cash package to returning IDPs, and is mounting labor-intensive road rehabilitation programs. The USG provided \$37.8 million of food assistance in FY 2007, most channeled through the World Food Program for distribution in conflict areas.

Health

¶25. (SBU) Congolese social indicators are dismal: the DRC ranked 167th out of the 177 countries in the 2006 UNDP Human Development Report. Health indicators are among the worst in the world. Infant and child mortality are 126 and 213 per every thousand live births, respectively. Many preventable infectious diseases are prevalent, notably malaria, HIV/AIDS and tuberculosis. HIV prevalence stands at 1.3 per cent of all adults, or approximately 800,000 people -- among the top ten totals in the world.

¶26. (SBU) Health constitutes the USG's most important development effort. Public health care is in near complete collapse throughout the country. Lack of equipment, trained personnel, adequate facilities and supplies continue to prevent access to basic health care for most of the population. Non-governmental organizations (NGOs) provide an estimated 80 per cent of the limited care available. We plan to program over \$55 million for primary pediatric health care in 82 rural health zones over the next three years, and continue to support national tuberculosis and polio eradication efforts. USAID plans to provide \$12 million over four years for HIV/AIDS prevention and care. CDC funds surveillance and pediatric HIV/AIDS programs. DOD has programs for military HIV/AIDS prevention and care. The Department of State has created an innovative public diplomacy program to increase HIV/AIDS awareness.

The scene today

¶27. (SBU) Your arrival comes at a moment of great tension as well as great hope. The Congolese people look to their government, and the international community, for help to bring an end to conflicts that have cost millions of dollars, uprooted hundreds of thousands of people and resulted in millions of deaths. These conflicts have also created an atmosphere of widespread insecurity, contributing to a political and judicial vacuum in which women and children are routinely abused, and in which the perpetrators go unpunished. There are clear signs the population is growing impatient with the pace of the government's efforts and skeptical that democracy can solve its problems. In this environment, we ask you to help us to reinforce the following messages:

-- The Congolese people rightly expect responsible leadership at home as well as supportive international partners. We will continue to support the new leadership to develop transparent practices, establish good governance for the well-being of the Congolese people, and improve the stewardship of its abundant natural resources.

-- They are eager to realize tangible benefits from their investment in democracy. They must cease being made victims of violence. Human rights must be respected and violators punished.

-- Congo has taken remarkable strides to replace war with peaceful democratic change. The successful elections were a tangible demonstration of the people's desire for peaceful governance. The United States is eager to see that momentum continue.

-- We encourage political and military authorities to pursue a peaceful resolution of the security problems which persist in Congo.

-- The United States will continue to support and work closely with the GDRC and MONUC to bring about political reconciliation and to prevent further conflict in the DRC and the region.

-- We strongly support the Nairobi and Goma processes and are

contributing funds and expertise to ensure their success will bring lasting peace and stability to the region.

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